JS 44 (Rev. 07/16)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS

PNC Equipment Finance, LLC

(b) County of Residence of First Listed Plaintiff: Hamilton County
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
Buchanan Ingersoll & Rooney PC
Terry A. Shulsky
50 S. 16th Street, Phila., PA 19102

DEFENDANTS

RMN Group, LLC, Matthew S. Naylor and Russell R. Naylor

County of Residence of First Listed Defendant: Chester County
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)* *(For Diversity Cases Only)*

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☒ 1	Incorporated *or* Principal Place of Business In This State	☐ 4	☒ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☒ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excludes Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☒ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Medical Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Management Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Retirement Income Security Act

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 376 Qui Tam (31 USC 3729(a))
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

V. ORIGIN *(Place an "X" in One Box Only)*

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District *(specify)*
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*: 28 U.S.C. Section 1332

Brief description of cause: Breach of Contract

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND $

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE ______ DOCKET NUMBER ______

DATE: 2-1-17

SIGNATURE OF ATTORNEY OF RECORD: Terry A Shulsky

FOR OFFICE USE ONLY

RECEIPT # ______ AMOUNT ______ APPLYING IFP ______ JUDGE ______ MAG. JUDGE ______

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA — DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 995 Dalton Avenue, Cincinnati, OH 45203

Address of Defendant: see attached addendum

Place of Accident, Incident or Transaction: Malvern, Pennsylvania

(Use Reverse Side For Additional Space)

Does this civil action involve a nongovernmental corporate party with any parent corporation and any publicly held corporation owning 10% or more of its stock?
(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a)) Yes ☒ No ☐

Does this case involve multidistrict litigation possibilities? Yes ☐ No ☒

RELATED CASE, IF ANY:

Case Number: ______ Judge ______ Date Terminated: ______

Civil cases are deemed related when yes is answered to any of the following questions:

1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court? Yes ☐ No ☒
2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit pending or within one year previously terminated action in this court? Yes ☐ No ☒
3. Does this case involve the validity or infringement of a patent already in suit or any earlier numbered case pending or within one year previously terminated action in this court? Yes ☐ No ☒
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil rights case filed by the same individual? Yes ☐ No ☒

CIVIL: (Place ✔ in ONE CATEGORY ONLY)

A. *Federal Question Cases:*

1. ☐ Indemnity Contract, Marine Contract, and All Other Contracts
2. ☐ FELA
3. ☐ Jones Act-Personal Injury
4. ☐ Antitrust
5. ☐ Patent
6. ☐ Labor-Management Relations
7. ☐ Civil Rights
8. ☐ Habeas Corpus
9. ☐ Securities Act(s) Cases
10. ☐ Social Security Review Cases
11. ☐ All other Federal Question Cases (Please specify) ______

B. *Diversity Jurisdiction Cases:*

1. ☐ Insurance Contract and Other Contracts
2. ☐ Airplane Personal Injury
3. ☐ Assault, Defamation
4. ☐ Marine Personal Injury
5. ☐ Motor Vehicle Personal Injury
6. ☐ Other Personal Injury (Please specify)
7. ☐ Products Liability
8. ☐ Products Liability — Asbestos
9. ☒ All other Diversity Cases (Please specify) Breach of Contract

ARBITRATION CERTIFICATION

(Check Appropriate Category)

I, Terry A. Shulsky, counsel of record do hereby certify:

☐ Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of $150,000.00 exclusive of interest and costs;

☐ Relief other than monetary damages is sought.

DATE: 2.1.17 Terry A Shulsky, Attorney-at-Law 82379 Attorney I.D.#

NOTE: A trial de novo will be a trial by jury only if there has been compliance with F.R.C.P. 38.

I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court except as noted above.

DATE: 2.1.17 Terry A Shulsky, Attorney-at-Law 82379 Attorney I.D.#

CIV. 609 (5/2012)

ADDENDUM TO CASE DESIGNATION FORM

Defendant, RMN Group, LLC is a Pennsylvania limited liability company with its principal place of business at 40 General Warren Blvd, Suite 200, Malvern, Pennsylvania 19355.

Defendant, Matthew S. Naylor is an individual who resides at 16 Rabbit Run Road, Malvern, Pennsylvania 19355.

Defendant, Russell R. Naylor is an individual who resides at 639 Church Road, Malvern, Pennsylvania 19355.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CASE MANAGEMENT TRACK DESIGNATION FORM

PNC Equipment Finance, LLC : CIVIL ACTION

v. :

RMN Group, LLC, Matthew S. Naylor and Russell R. Naylor : NO.

In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:

(a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255. ( )

(b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits. ( )

(c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2. ( )

(d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos. ( )

(e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.) ( )

(f) Standard Management – Cases that do not fall into any one of the other tracks. (X)

2·1·17	Terry A Shulsky	Plaintiff
Date	**Attorney-at-law**	**Attorney for**
412-392-2091	412-535-3133	terry.shulsky@bipc.com
Telephone	**FAX Number**	**E-Mail Address**

(Civ. 660) 10/02

Civil Justice Expense and Delay Reduction Plan
Section 1:03 - Assignment to a Management Track

(a) The clerk of court will assign cases to tracks (a) through (d) based on the initial pleading.

(b) In all cases not appropriate for assignment by the clerk of court to tracks (a) through (d), the plaintiff shall submit to the clerk of court and serve with the complaint on all defendants a case management track designation form specifying that the plaintiff believes the case requires Standard Management or Special Management. In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a case management track designation form specifying the track to which that defendant believes the case should be assigned.

(c) The court may, on its own initiative or upon the request of any party, change the track assignment of any case at any time.

(d) Nothing in this Plan is intended to abrogate or limit a judicial officer's authority in any case pending before that judicial officer, to direct pretrial and trial proceedings that are more stringent than those of the Plan and that are designed to accomplish cost and delay reduction.

(e) Nothing in this Plan is intended to supersede Local Civil Rules 40.1 and 72.1, or the procedure for random assignment of Habeas Corpus and Social Security cases referred to magistrate judges of the court.

SPECIAL MANAGEMENT CASE ASSIGNMENTS
(See §1.02 (e) Management Track Definitions of the Civil Justice Expense and Delay Reduction Plan)

Special Management cases will usually include that class of cases commonly referred to as "complex litigation" as that term has been used in the Manuals for Complex Litigation. The first manual was prepared in 1969 and the Manual for Complex Litigation Second, MCL 2d was prepared in 1985. This term is intended to include cases that present unusual problems and require extraordinary treatment. See §0.1 of the first manual. Cases may require special or intense management by the court due to one or more of the following factors: (1) large number of parties; (2) large number of claims or defenses; (3) complex factual issues; (4) large volume of evidence; (5) problems locating or preserving evidence; (6) extensive discovery; (7) exceptionally long time needed to prepare for disposition; (8) decision needed within an exceptionally short time; and (9) need to decide preliminary issues before final disposition. It may include two or more related cases. Complex litigation typically includes such cases as antitrust cases; cases involving a large number of parties or an unincorporated association of large membership; cases involving requests for injunctive relief affecting the operation of large business entities; patent cases; copyright and trademark cases; common disaster cases such as those arising from aircraft crashes or marine disasters; actions brought by individual stockholders; stockholder's derivative and stockholder's representative actions; class actions or potential class actions; and other civil (and criminal) cases involving unusual multiplicity or complexity of factual issues. See §0.22 of the first Manual for Complex Litigation and Manual for Complex Litigation Second, Chapter 33.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PNC EQUIPMENT FINANCE, LLC, Plaintiff, v. RMN GROUP, LLC and MATTHEW S. NAYLOR and RUSSELL R. NAYLOR, Defendants.	Case No. [____________________] **COMPLAINT**

Plaintiff, PNC Equipment Finance, LLC, a wholly owned subsidiary of PNC Bank, National Association, by and through its undersigned counsel, files this Complaint ("Complaint") against RMN Group, LLC, Matthew S. Naylor and Russell R. Naylor (collectively, the "Defendants"), and complains as follows:

JURISDICTION AND VENUE

1. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332 in that the matter in controversy exceeds the sum or value of $75,000.00 exclusive of interest and costs, and is between citizens of different states.

2. Venue is proper in this Court pursuant to 28 U.S.C. § 1391.

3. This Court has personal jurisdiction over the Defendants because the Defendants are located or reside in Pennsylvania.

PARTIES

4. Plaintiff, PNC Equipment Finance, LLC, a wholly owned subsidiary of PNC Bank, National Association (collectively, "Bank" or "Plaintiff") is organized in the State of Delaware.

5. Plaintiff's main office is located at 995 Dalton Ave., Cincinnati, OH 45203.

6. Defendant, RMN Group, LLC is a Pennsylvania limited liability company with its principal place of business at 40 General Warren Blvd, Suite 200, Malvern, Pennsylvania 19355.

7. Defendant, Matthew S. Naylor is an individual who resides at 16 Rabbit Run Road, Malvern, Pennsylvania 19355.

8. Defendant, Russell R. Naylor is an individual who resides at 639 Church Road, Malvern, Pennsylvania 19355.

FACTUAL BACKGROUND

Security Agreement, Note and Guaranty

9. On or about July 2, 2007, RMN Group, LLC ("Borrower") executed and delivered to Bank that certain Aircraft Security Agreement, which was recorded by the Federal Aviation Administration, Aircraft Registration Branch (the "FAA") on August 13, 2007 and assigned Conveyance No. VO12240 (as the same may have been amended, modified, supplemented, and/or renewed, collectively, the "Security Agreement"). A true and correct copy of the Security Agreement is attached to this Complaint as Exhibit "1."

10. Pursuant to the Security Agreement, Bank financed the acquisition of and was granted a continuing security interest in a 1991 BEECH (aka BEECH AIRCRAFT CORPORATION on the International Registry), Model Number 400A, Manufacturer Serial Number RK-13, United States FAA Registration Number N610EG (formerly N13GB), with two PRATT & WHITNEY CANADA Model JT15D-5 (aka JT15D SERIES on the International Registry) engines, Manufacturer Serial Numbers PCE-100203 (aka 100203 on the International Registry) and PCE-100204 (aka 100204 on the International Registry) (collectively, the "Aircraft").

11. On or about July 2, 2007, pursuant to the terms of the Security Agreement, Bank loaned $2,025,000.00 to Borrower to purchase the Aircraft ("Loan").

12. In connection with the Security Agreement and Loan, Borrower executed and delivered to Bank a $2,025,000.00 promissory note dated July 2, 2007 (as the same may have been amended, modified, supplemented, and/or renewed, collectively, the "Note"). A true and correct copy of the Note is attached to this Complaint as Exhibit "2."

13. The Security Agreement provided the Bank with, *inter alia*, a continuing "first priority perfected security interest (including an International Interest)" in and to the Aircraft, as well as in, *inter alia*, the Aircraft's airframe, engines, any propellers and related log books, manuals, diagrams, records, contracts, agreements and leases (collectively, the "Aircraft Collateral") to secure, *inter alia*, the indebtedness evidenced by the Note.

14. Under the Security Agreement, the Bank had, *inter alia*, (i) the right to take possession of and remove the Aircraft Collateral and (ii) the full power to sell, lease, transfer, or otherwise deal with the Aircraft Collateral or proceeds thereof.

15. The Bank perfected its security interest in the Aircraft Collateral by recording a copy of the Security Agreement with the FAA.

16. The Bank registered International Interests corresponding to the security interest granted to Bank in the Aircraft Collateral by the Security Agreement with the International Registry created by the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft signed in Cape Town, South Africa on November 16, 2001.

17. The Bank also filed UCC Financing Statements with the Pennsylvania Secretary of State in connection with its security interest in the Aircraft Collateral.

18. To further induce Bank to grant the credit accommodations to Borrower under the Note and Security Agreement, Matthew S. Naylor and Russell R. Naylor (together, the "Guarantor") each executed and delivered to Bank that certain Guaranty dated July 2, 2007 (as the same may have been amended, modified, supplemented, and/or renewed, collectively, the "Guaranty"). A true and correct copy of the Guaranty is attached to this Complaint as Exhibit "3."

19. Pursuant to the Guaranty, each Guarantor absolutely and unconditionally guaranteed and promised to pay Bank $420,000.00 ("Limited Guaranty Amount") plus all costs and expenses of (A) enforcement of the Guaranty and (B) collection and sale of any collateral securing the Guaranty (collectively, the "Guaranty Expense Obligations"). The Security Agreement, Note, Guaranty and all documents/agreements executed in connection therewith and related to the Loan (as the same may have been amended, modified, supplemented, and/or renewed) are hereinafter collectively referred to as the "Loan Documents." Capitalized terms not otherwise defined in this Complaint shall have the meaning given to such terms in the Loan Documents.

Default by Borrower and each Guarantor

20. Under the Note, Borrower's failure to make any payment when due constitutes an event of default.

21. An event of default occurred when Borrower failed to pay full monthly payments on the Loan when due on September 1, 2015 and October 1, 2015 ("Specified Event of Default").

22. Pursuant to the Guaranty, Guarantor is required to pay Bank the (i) Limited Guaranty Amount and (ii) Guaranty Expense Obligations.

23. Bank notified Borrower and Guarantor of the Specified Event of Default through a written letter by Bank's counsel dated October 9, 2015 ("Default Letter"). A true and correct copy of the Default Letter is attached to this Complaint as Exhibit "4."

24. By means of the Default Letter, Bank declared the amount of the total unpaid principal, interest, and other charges on the Loan to be immediately due and payable.

25. As of October 9, 2015, the past due principal, interest and late charges on the Loan totaled $1,216,249.23 ("Default Amount").

26. Bank demanded that Borrower and/or Guarantor pay the Default Amount.

27. Borrower and/or Guarantor failed to pay the Default Amount and have therefore failed to satisfy their obligations set forth in the Loan Documents.

28. Upon information and belief, neither Borrower nor Guarantor has valid defenses for failing to fulfill their obligations set forth in the Loan Documents.

Aircraft Collateral Repossession and Disposition

29. On or about October 7, 2015, and pursuant to its rights and remedies set forth in the Security Agreement and applicable law, Bank repossessed the Aircraft Collateral (the "Aircraft Collateral Repossession").

30. On December 11, 2015, and pursuant to its rights and remedies set forth in the Security Agreement and applicable law, Bank foreclosed on its security interest in the Aircraft Collateral and took title to the same (the "UCC Sale").

31. At all times, Bank fully and completely complied with the applicable Uniform Commercial Code ("UCC") sections governing the sale of collateral, including, but not limited to UCC Sections 9-610 and 9-613 as well as all applicable provisions set forth in the Loan Documents.

32. The UCC Sale was conducted in a commercially reasonable manner.

33. Bank was the only bidder at that sale with a credit bid of $475,000.00.

34. On or about January 11, 2016, Bank sold the Aircraft Collateral to N510TL, LLC ("N510TL Sale").

35. The gross proceeds of the N510TL Sale were $485,000.00.

36. Bank received net proceeds from the N510TL Sale in the amount of $442,332.95 ("Net N510TL Sale Proceeds"). A true and correct copy of the settlement statement for the N510TL Sale is attached to this Complaint as Exhibit "5."

37. After application of the Net N510TL Sale Proceeds to the Default Amount, the total outstanding indebtedness owed to the Bank was $773,916.28 plus accrued and accruing attorneys' fees, costs and expenses, and interest (collectively, the "Outstanding Indebtedness").

38. Bank notified Borrower and Guarantor of the Bank's foreclosure of its security interest in the Aircraft Collateral, the N510TL Sale and the resulting Guaranty Expense Obligations through a written letter by Bank's counsel dated April 15, 2016 ("Expense Demand Letter") attached to which was documentation supporting the Guaranty Expense Obligations. A true and correct copy of the Expense Demand Letter is attached to this Complaint as Exhibit "6."

39. Bank demanded that Guarantor pay the Limited Guaranty Amount and the Guaranty Expense Obligations.

40. Guarantor tendered to Bank the Limited Guaranty Amount.

41. Guarantor failed to pay the Guaranty Expense Obligations and have therefore each Guarantor failed to satisfy their obligations set forth in the Guaranty.

Guaranty Expense Obligations

42. To date, Bank has incurred costs and expenses totaling at least $207,182.14 relating to the (A) enforcement of the Guaranty and (B) collection and sale of any collateral securing the Guaranty broken down in the following paragraphs of this Complaint.

43. Bank paid Liberty Jet $88,756.42 ("Liberty Jet Expense") for fuel, landing fees, hangar rent, engine reserves, labor and parts in order for Liberty Jet to release possession of the Aircraft Collateral to Bank. A true and correct copy of the invoice for the Liberty Jet Expense is attached to this Complaint as Exhibit "7."

44. Bank paid $7,745.21 ("Inspection Expense") to have the Aircraft Collateral inspected and prepared to move from its location at Liberty Jet to a hangar at Arnold Palmer Regional Airport, 125 Aviation Lane, Latrobe, PA 15650 ("Arnold Palmer Airport") which is managed by LJ Aviation. A true and correct copy of the invoice for the Inspection Expense is attached to this Complaint as Exhibit "8."

45. Bank paid $2,156.00 ("November Hangar Expense") to have the Aircraft Collateral stored at Arnold Palmer Airport in November 2015. A true and correct copy of the invoice for the November Hangar Expense is attached to this Complaint as Exhibit "9."

46. Bank paid $20,000.00 ("Engine Program Expense") to Vector Aerospace Engine Services ("Vector") for two missed program payments required for the engines associated with the Aircraft Collateral. A true and correct copy of the invoice for the Engine Program Expense is attached to this Complaint as Exhibit "10."

47. Bank paid $496.32 ("Flight Expense") to Vector for the flight of the Aircraft Collateral to Arnold Palmer Airport. A true and correct copy of the invoice for the Flight Expense is attached to this Complaint as Exhibit "11."

48. Bank paid $1,439.10 ("November Maintenance Expense") to LJ Aviation for maintenance performed on the Aircraft Collateral. A true and correct copy of the invoice for the November Maintenance Expense is attached to this Complaint as Exhibit "12."

49. Bank paid $2,156.00 ("December Hangar Expense") to have the Aircraft Collateral stored at Arnold Palmer Airport in December 2015. A true and correct copy of the invoice for the December Hangar Expense is attached to this Complaint as Exhibit "13."

50. Bank paid $419.70 ("Sale Transcript Expense") to Planet Depos for the transcript of the UCC Sale of the Aircraft Collateral. A true and correct copy of the invoice for the Sale Transcript Expense is attached to this Complaint as Exhibit "14."

51. Bank paid $1,698.58 ("Advertising Expense") for advertising fees in connection with the UCC Sale of the Aircraft Collateral. A true and correct copy of the invoice for the Advertising Expense is attached to this Complaint as Exhibit "15."

52. Bank paid $25,000.00 ("Aircraft Sale Commission Expense") as a commission for the sale of the Aircraft Collateral to N510TL, LLC. A true and correct copy of the Aircraft Sale Commission Expense is attached to this Complaint as Exhibit "16."

53. Bank paid $16,827.05 ("Aircraft Moving Expenses") to move the Aircraft Collateral for purposes of closing the N510TL Sale. A true and correct copy of the Aircraft Moving Expenses is attached to this Complaint as Exhibit "17."

54. Bank paid $1,910.99 ("Aircraft Sale Preparation Expenses") to condition, overhaul, inspect and prepare the Aircraft Collateral for its sale to N510TL, LLC. A true and correct copy of the Aircraft Sale Preparation Expenses is attached to this Complaint as Exhibit "18."

55. Bank paid $15,033.95 ("Aircraft Check and Test Expenses") to check and test the Aircraft Collateral for its sale to N510TL, LLC. A true and correct copy of the Aircraft Check and Test Expenses is attached to this Complaint as Exhibit "19."

56. Bank paid $2,156.00 ("January Hangar Expense") to have the Aircraft Collateral stored at Arnold Palmer Airport in January 2016. A true and correct copy of the invoice for the January Hangar Expense is attached to this Complaint as Exhibit "20."

57. Bank paid $136.23 ("Shipping Expense") in shipping charges for certain replacement parts for the Aircraft Collateral. A true and correct copy of the invoice for the Shipping Expense is attached to this Complaint as Exhibit "21."

58. Bank paid $1,793.10 ("Moving Expense") for fuel and pilot services to move the Aircraft Collateral in connection with the N510TL Sale. A true and correct copy of the invoice for the Moving Expense is attached to this Complaint as Exhibit "22."

59. Bank paid an $840.00 escrow fee in connection with the N510TL Sale.

60. Bank paid $18,617.49 ("Legal Fees") in legal fees to foreclose upon its security interest in the Aircraft Collateral and to sale the same. A true and correct copy of the summary of Legal Fees is attached to this Complaint as Exhibit "23."

COUNT I - BREACH OF CONTRACT

(Bank v. RMN Group, LLC)

61. Plaintiff incorporates the allegations of the preceding paragraphs 1-60 of the Complaint as if fully restated herein.

62. As averred above, Borrower defaulted on its obligations under the Loan Documents by, *inter alia*, failing to pay full monthly payments on the Loan when due on September 1, 2015 and October 1, 2015.

63. Bank has suffered damages as a result of Borrower's breach of the Loan Documents, including, but not limited to, the Outstanding Indebtedness and such other exact amounts as may be proven at trial.

64. The Loan Documents provide that Bank shall recover its costs and expenses, including Bank's reasonable attorneys' fees and legal expenses incurred in connection with the enforcement of the Loan Documents.

65. Interest continues to accrue on the Outstanding Indebtedness at the Interest After Default rate as defined in the Note.

66. The Bank's costs and expenses, including Bank's attorneys' fees and legal expenses incurred in connection with the enforcement of the Loan Documents continue to accrue.

67. Despite Bank's demand for payment, Borrower has failed and refused to pay to the Bank the amounts due the Bank under the Loan Documents.

68. The Bank has performed all conditions precedent under the Loan Documents.

WHEREFORE, PNC Equipment Finance, LLC prays that this Court enter a judgment in the above-captioned action that (1) the Bank is entitled to judgment in its favor and against RMN Group, LLC in the amount of $353,916.28, *plus* pre-judgment interest, and post judgment interest on any judgment accruing at the Interest After Default rate as defined in the Note from and after October 9, 2015, *plus* attorneys' fees, costs, and expenses accruing after October 9, 2015; (2) the Bank is entitled to costs and attorney's fees in connection with the repossession, storage, repair, maintenance, and/or sale of the Aircraft Collateral; and (3) the Bank is entitled to such other relief as is just and equitable under the circumstances.

COUNT II - ACTION ON GUARANTY

(Bank v. Matthew S. Naylor)

69. Plaintiff incorporates the allegations of the preceding paragraphs 1-68 of the Complaint as if fully restated herein.

70. As averred above, Borrower defaulted on its obligations under the Loan Documents by, *inter alia*, failing to pay full monthly payments on the Loan when due on September 1, 2015 and October 1, 2015.

71. Guarantor, Matthew S. Naylor, has failed to meet his obligations under the Guaranty by, *inter alia*, failing to pay the Guaranty Expense Obligations.

72. Bank has suffered damages as a result of Matthew S. Naylor's breach of the Guaranty, including, but not limited to, the total amount of the Guaranty Expense Obligations and such other exact amounts as may be proven at trial.

73. The Guaranty provides that Bank shall recover its costs and expenses, including Bank's reasonable attorneys' fees and legal expenses incurred in connection with the enforcement of the Guaranty.

74. The Bank's costs and expenses, including Bank's attorneys' fees and legal expenses incurred in connection with the enforcement of the Guaranty continue to accrue.

75. Despite Bank's demand for payment, Matthew S. Naylor has failed and refused to pay to Bank the amounts due Bank under the Guaranty.

76. The Bank has performed all conditions precedent under the Loan Documents.

WHEREFORE, PNC Equipment Finance, LLC prays that this Court enter a judgment in the above-captioned action that: (1) the Bank is entitled to judgment in its favor and against Matthew S. Naylor in the amount of $207,182.14, *plus* pre-judgment interest, and post-judgment interest on any judgment *plus* attorneys' fees, costs, and expenses accruing after April 15, 2016; (2) the Bank is entitled to costs and attorney's fees in connection with (i) the repossession, storage, repair, maintenance, and/or sale of the Aircraft Collateral and (ii) the enforcement of the Guaranty; and (3) the Bank is entitled to judgment for such other relief as is just and equitable under the circumstances.

COUNT III - ACTION ON GUARANTY

(Bank v. Russell R. Naylor)

77. Plaintiff incorporates the allegations of the preceding paragraphs 1-76 of the Complaint as if fully restated herein.

78. As averred above, Borrower defaulted on its obligations under the Loan Documents by, *inter alia*, failing to pay full monthly payments on the Loan when due on September 1, 2015 and October 1, 2015.

79. Guarantor, Russell R. Naylor, has failed to meet his obligations under the Guaranty by, *inter alia*, failing to pay the Guaranty Expense Obligations.

80. Bank has suffered damages as a result of Russell R. Naylor's breach of the Guaranty, including, but not limited to, the total amount of the Guaranty Expense Obligations and such other exact amounts as may be proven at trial.

81. The Guaranty provides that Bank shall recover its costs and expenses, including Bank's reasonable attorneys' fees and legal expenses incurred in connection with the enforcement of the Guaranty.

82. The Bank's costs and expenses, including Bank's attorneys' fees and legal expenses incurred in connection with the enforcement of the Guaranty continue to accrue.

83. Despite Bank's demand for payment, Russell R. Naylor has failed and refused to pay to Bank the amounts due Bank under the Guaranty.

84. The Bank has performed all conditions precedent under the Loan Documents.

WHEREFORE, PNC Equipment Finance, LLC prays that this Court enter a judgment in the above-captioned action that: (1) the Bank is entitled to judgment in its favor and against Russell R. Naylor in the amount of $207,182.14, *plus* pre-judgment interest, and post-judgment interest on any judgment *plus* attorneys' fees, costs, and expenses accruing after April 15, 2016; (2) the Bank is entitled to costs and attorney's fees in connection with (i) the repossession, storage, repair, maintenance, and/or sale of the Aircraft Collateral and (ii) the enforcement of the Guaranty; and (3) the Bank is entitled to judgment for such other relief as is just and equitable under the circumstances.

DATED: February 1, 2017

BUCHANAN INGERSOLL & ROONEY

By: Terry A Shulsky

Terry A. Shulsky (PA I.D. 82379)
Mark Pfeiffer (PA I.D. 76245)
Two Liberty Place
50 S. 16th St., Suite 3200
Philadelphia, PA 19102-2555
Tel: (215) 665-8700
Fax: (215) 665-8760

Attorneys for Plaintiff
PNC Equipment Finance, LLC, a wholly owned subsidiary of PNC Bank, National Association

EXHIBIT 1

ORIGINAL 3AF 07/02/07
TO BE RETURNED TO M&T

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION
FAA AIRCRAFT REGISTRY
P O Box 25504
Oklahoma City Oklahoma 73125

AIRCRAFT SECURITY AGREEMENT

NAME & ADDRESS OF BORROWER: RMN Group, LLC 191 Sheree Boulevard, Suite 201 Exton, PA 19341	RECORDED Federal Aviation Administration Date 8-13-07 Time 1:06pm Conveyance Number V0 12240 By S Gillespie
NAME & ADDRESS OF SECURED PARTY/LENDER: PNC Equipment Finance, LLC 4355 Emerald St Suite 100 Boise, ID 83706	
NAME & ADDRESS OF GRANTOR: RMN Group, LLC 191 Sheree Boulevard, Suite 201 Exton, PA 19341	ABOVE SPACE FOR FAA USE ONLY

THIS AIRCRAFT SECURITY AGREEMENT dated July 2, 2007, is made and executed between RMN Group, LLC ("Grantor") and PNC Equipment Finance, LLC ("Lender").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a continuing security interest in the Collateral to secure the Indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law

COLLATERAL. The word "Collateral" as used in this Agreement means the following described Airframe, Engines and Contracts, as defined herein

YEAR MFG	AIRCRAFT MANUFACTURER	MODEL NUMBER	SERIAL NUMBER	FAA REGISTRATION NUMBER
1991	**BEECH (aka BEECH AIRCRAFT CORPORATION on the International Registry)**	**400A**	**RK-13**	**N13GB**
ENGINE MAKE	MODEL NUMBER (S)	SERIAL NUMBER (S)		
PRATT & WHITNEY CANADA	**JT15D-5 (aka JT15D SERIES on the International Registry)**	**PCE-100203 (aka 100203 on the International Registry)**		
PRATT & WHITNEY CANADA	**JT15D-5 (aka JT15D SERIES on the International Registry)**	**PCE-100204 (aka 100204 on the International Registry)**		
PROPELLER MAKE	MODEL NUMBER (S)	SERIAL NUMBER (S)		

PNC AVIATION FINANCE

The word "Aircraft" also means and includes without limitation, (a) the Airframe, (b) the Engines, (c) any propellers, and (d) related log books, manuals, diagrams and records

The word "Airframe" means the Aircraft's airframe, together with any and all parts, appliances, components, instruments, accessories, accessions, attachments, equipment, or avionics (including, without limitation, radio, radar, navigation systems, or other electronic equipment) installed in, appurtenant to, or delivered with or in respect of such airframe

The word "Engines" means any engines described above together with any other aircraft engines which either now or in the future are installed on, appurtenant to, or delivered with or in respect of the Airframe, together with any and all parts, appliances, components, accessories, accessions, attachments or equipment installed on, appurtenant to, or delivered with or in respect of such engines The word "Engines" shall also refer to any replacement aircraft engine which, under this Agreement, is required or permitted to be installed upon the Airframe

The word "Contracts" means any and all agreements, contracts, service contracts, repair contracts, maintenance contracts, including the Engine Maintenance Program, insurance contracts, leases, purchase agreements, bills of sale and assignments, and any other instruments, contracts, or agreements of any kind with respect to the Collateral

DURATION. This Agreement, including any representations, warranties and covenants contained herein, shall remain continuing, in full force and effect until such time as the Indebtedness secured hereby, including principal, interest, costs, expenses, attorneys' fees and other fees and charges, shall have been paid in full, together with all additional sums that Lender may pay or advance on Grantor's behalf and interest thereon as provided in this Agreement

REPRESENTATIONS, WARRANTIES, AND COVENANTS. Grantor represents, warrants and covenants to Lender at all times while this Agreement is in effect as follows

Title Grantor warrants that Grantor is the lawful owner of the Collateral and holds good and marketable title to the Collateral, free and clear of all Encumbrances except the lien of this Agreement Grantor is, or concurrent with the completion of the transactions contemplated by this Agreement will be, the registered owner of the Aircraft pursuant to a proper registration under the Transportation Code, and Grantor qualifies in all respects as a citizen of the United States as defined in the Transportation Code If Grantor acquired its interest in the Aircraft on or after the effective date of the Convention, the ownership rights of Grantor shall be the subject of a valid and subsisting registered contract of sale at the International Registry Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons The Collateral is not and will not be registered under the laws of any foreign country, and Grantor is and will remain a citizen of the United States as defined in the Transportation Code

Authority; Binding Effect, etc. Grantor is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Pennsylvania Grantor is duly authorized to transact business in all other states in which Grantor is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Grantor is doing business Grantor has the full right, power and authority to enter into the Note, the Related Documents, and this Agreement and to grant a security interest in the Collateral to Lender The Note, the Related Documents, and this Agreement are binding upon Grantor as well as Grantor's successors and assigns, and are legal, valid and binding obligations of Grantor and are legally enforceable in accordance with their terms Grantor's principal place of business is 191 Sheree Boulevard, Suite 201, Exton, PA 19341, and unless Grantor has designated otherwise in writing, the Grantor's principal place of business is the office at which Grantor keeps its complete logs, manuals, books and records including its complete logs, manuals, books and records concerning the Collateral Grantor's exact legal name is RMN Group, LLC Grantor has not used any trade, assumed or previous names within the past five years Grantor's organizational identification number is 3317159 Grantor has not merged with or into, or transferred all or substantially all of its assets to, any other entity within the past five years Grantor was situated in the United States, State of Pennsylvania at the time of the conclusion of this Agreement Grantor has the power to dispose of the Aircraft, as contemplated in the Convention

Authorization. Grantor's execution, delivery, and performance of the Note, this Agreement and all the Related Documents have been duly authorized by all necessary action by Grantor and do not conflict with, result in a violation of, or constitute a default under (1) any provision of Grantor's articles of organization or membership agreements, or bylaws or articles of incorporation, or any agreement or other instrument binding upon Grantor or (2) any law, governmental regulation, court decree, or order applicable to Grantor or to Grantor's properties

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Grantor is pending or threatened, and no other event has occurred which may materially adversely affect Grantor's financial condition or properties, other than litigation, claims, or other events if any, that have been disclosed to and acknowledged by Lender in writing

Taxes. All of Grantor's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges in connection with the Aircraft and the Collateral have been paid in full, except those presently being or to be contested by Grantor in good faith in the ordinary course of business and for which adequate reserves have been provided

Information. All information heretofore or contemporaneously herewith furnished by Grantor to Lender for the purposes of or in connection with this Agreement or any transaction contemplated hereby (including without limitation the description of the Aircraft) is, and all information hereafter furnished by or on behalf of Grantor to Lender will be, true and accurate in every material respect on the date as of which such information is dated or certified and none of such information is or will be incomplete by omitting to state any material fact necessary to make such information not misleading

Aircraft and Log Books. Grantor will keep accurate and complete logs, manuals, books, and records relating to the Collateral, and will provide Lender with copies of such reports and information relating to the Collateral as Lender may reasonably require from time to time

Airframe and Engines Each Airframe is type certified to transport at least eight persons including crew or goods in excess of 2750 kilograms and each of the Engines has at least 1750 pounds of thrust or at least 550 rated take off shaft horsepower

Perfection of Security Interest. The security interest granted herein constitutes a valid and subsisting International Interest in the Aircraft under the Convention Grantor grants and covenants to continue a first priority perfected security interest (including an International Interest) in and to the Collateral in favor of Lender Grantor agrees to prepare and file financing statements and to take whatever other actions are requested by Lender to perfect and continue Lender's security interests in the Collateral Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper if not delivered to Lender for possession by Lender In particular, Grantor will perform, or will cause to be performed, upon Lender's request, each and all of the following (1) Record, register and file this Agreement (and the IDERA, as defined below), together with such notices, financing statements or other documents or instruments as Lender may request from time to time to carry out fully the intent of this Agreement, with the FAA in Oklahoma City, Oklahoma, United States of America and other governmental agencies, either concurrent with the delivery and acceptance of the Collateral or promptly after the execution and delivery of this Agreement, (2) Take all actions necessary to initiate or consent to the registration of an International Interest in the Aircraft (or at Lender's option, a Prospective International Interest) with the International Registry, (3) Take all actions necessary to initiate or consent to the registration of any other interests or rights pertaining to the Collateral with the International Registry, as requested in the sole discretion of Lender, (4) Furnish to Lender evidence of every such recording, registering, and filing, and (5) Execute and deliver or perform any and all acts and things which may be reasonably requested by Lender with respect to complying with or remaining subject to the Geneva Convention, the Convention, the International Registry, the laws and regulations of the FAA, the laws of the United States and the laws and regulation of any of the various states or countries in which the Collateral is or may fly over, operate in, or become located in Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the sole purposes of preparing, executing, and/or filing any documents necessary to perfect, amend or to continue the security interests granted in this Agreement or to demand termination of filings of other secured parties Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral

Convention Requirements Prior to funding by Lender, (a) Grantor shall establish a valid and existing account with the International Registry, appoint an Administrator and/or a Professional User acceptable to Lender to initiate or consent to registrations at the International Registry with regard to the Collateral, and initiate the registration of an International Interest (or, at Lender's option, a Prospective International Interest) in the Collateral, with all such steps being completed except for the consent of Lender, (b) Grantor's initiation of such registration at the International Registry shall not have expired or lapsed, (c) Grantor shall execute and Lender shall have received a fully completed and originally executed Irrevocable De-Registration and Export Request Authorization ("IDERA"), in the form attached hereto as Exhibit A and acceptable to the FAA and Lender, and (d) Grantor's Contract of Sale shall be registered and searchable in the International Registry

Performance of Contracts Grantor herby undertakes to perform all of its obligations under the Note, this Agreement, any Related Agreements and any Contracts and to procure the performance of third parties (other than Lender) under the Related Agreements and any Contracts

Notices to Lender. Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name, (2) change in Grantor's assumed business name(s), (3) (if Grantor is a business) change in the ownership of the Grantor or management of the Grantor, (4) change in the authorized signer(s), (5) change in Grantor's principal office address, (6) change in Grantor's state of organization, (7) conversion of Grantor to a new or different type of business entity, (8) merger of Grantor with or into, transfer by Grantor of all or substantially all of its assets to, or acquisition by Grantor of all or substantially all of the assets of, any other entity, or (9) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender No change in Grantor's name or state of organization will take effect until after Lender has received notice

Location of the Collateral. Grantor will hangar or keep the Collateral at its home airport or base location (the "Home Airport"), which is

Chester County G.O. Carlson Airport (40N)

Maintenance, Use, Repairs, Inspections, and Licenses. Grantor, at its expense, shall do, or cause to be done, in a timely manner with respect to the Collateral each and all of the following

(1) Grantor shall maintain and keep the Collateral in as good condition and repair as it is on the date of this Agreement, ordinary wear and tear excepted

(2) Grantor shall maintain and keep the Aircraft in good order and repair and in airworthy condition in accordance with the requirements of the FAA and each of the manufacturers' manuals and mandatory service bulletins and each of the manufacturers' non-mandatory service bulletins which relate to airworthiness, and as recommended or required by any rules, regulations, or guidelines of the FAA and/or the manufacturer

(3) Grantor shall replace in or on the Airframe, any and all Engines, parts, appliances instruments or accessories which may be worn out, lost, destroyed or otherwise rendered unfit for use

(4) Grantor shall cause to be performed, on all parts of the Aircraft, all applicable mandatory airworthiness directives, Federal Aviation Regulations, special Federal Aviation Regulations, and manufacturers' service bulletins relating to airworthiness the compliance date of which shall occur while this Agreement is in effect

(5) Grantor shall be responsible for all required inspections of the Aircraft and licensing or re-licensing of the Aircraft in accordance with all applicable FAA and other governmental requirements Grantor shall at all times cause the Aircraft to have on board and in a conspicuous location a current Certificate of Airworthiness issued by the FAA

(6) All inspections, maintenance, modifications, repairs, and overhauls of the Aircraft (including those performed on the Airframe, the Engines or any components, appliances, accessories, instruments, or equipment) shall be performed by personnel authorized by the FAA to perform such services

(7) If any Engine, component, appliance, accessory, instrument, equipment or part of the Aircraft shall reach such a condition as to require overhaul, repair or replacement, for any cause whatever, in order to comply with the standards for maintenance and other provisions set forth in this Agreement, Grantor may

(a) Install on or in the Aircraft such items of substantially the same type in temporary replacement of those then installed on the Aircraft, pending overhaul or repair of the unsatisfactory item, provided, however, that such replacement items must be in such a condition as to be permissible for use upon the Aircraft in accordance with the standards for maintenance and other provisions set forth in this Agreement, provided further, however, that Grantor at all times must retain unencumbered title to any and all items temporarily removed, or

(b) Install on or in the Aircraft such items of substantially the same type and value in permanent replacement of those then installed on the Aircraft, provided, however, that such replacement items must be in such condition as to be permissible for use upon the Aircraft in accordance with the standards for maintenance and other provisions set forth in this Agreement, provided further, however, that in the event Grantor shall be required or permitted to install upon the Airframe or any Engine, components, appliances, accessories, instruments, engines, equipment or parts in permanent replacement of those then installed on the Airframe or such Engine. Grantor may do so provided that, in addition to any other requirements of this Agreement

(i) Lender is not divested of its security interest in and lien upon any item removed from the Aircraft and that no such removed item shall be or become subject to the lien or claim of any person, unless and until such item is replaced by an item of the type and condition required by this Agreement, title to which, upon its being installed or attached to the Airframe, is validly vested in Grantor, free and clear of all liens and claims, of every kind or nature of all persons other than Lender;

(ii) Grantor's title to every substituted item shall immediately be and become subject to the security interests and liens of Lender and each of the provisions of this Agreement, and each such item shall remain so encumbered and so subject unless it is, in turn, replaced by a substitute item in the manner permitted in this Agreement,

(iii) If an item is removed from the Aircraft and replaced in accordance with the requirements of this Agreement, and if the substituted item satisfies the requirements of this Agreement, including the terms and conditions above, then the item which is removed shall thereupon be free and clear of the security interests and liens of Lender, and

(iv) Such items are approved in writing by Lender in its sole discretion

(8) In the event that any Engine, component, appliance, accessory, instrument, equipment or part is installed upon the Airframe, and is not in substitution for or in replacement of an existing item such additional item shall be considered as an accession to the Airframe

(9) If the Engines are enrolled in or become enrolled in an "Engine Maintenance Program" at the time of loan application or anytime thereafter, Grantor represents, warrants, and covenants that the Engines will continue to be enrolled in such Engine Maintenance Program while this Agreement is in effect and until all amounts owed to Lender are paid in full "Engine Maintenance Program" means the engine maintenance program provided by or similar to, but not limited to, any of the following AlliedSignal's MSP, Allison's Power by the Hour, CFE Corp 's CSP, Jet Support Services Inc 's JSSI, Pratt & Whitney's ESP, Williams/Rolls' PBH, and EMS

(10) Grantor shall maintain all records, logs, and materials relating to the Aircraft required by, and in accordance with, the FAA and its rules and regulations, regardless of upon whom such requirements are, by their terms normally imposed

(11) The Aircraft shall be operated at all times by a currently certified pilot having the minimum total pilot hours and pilot-in-command hours required by FAA rules or regulations and applicable insurance policies

(12) Grantor shall use, operate, maintain, and store the Aircraft, and every part thereof, carefully and in compliance with all applicable statutes, ordinances, and regulations of all jurisdictions in which the Aircraft is used, and with all applicable insurance policies, manufacturer's recommendations and operating and maintenance manuals, including, without limitation, FAR 91, 121, or 135, as applicable, and all applicable maintenance, service, repair and overhaul manuals and service bulletins published by manufacturers of the Aircraft or of the accessories, equipment and parts installed in the Aircraft

Taxes, Assessments and Liens. Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon the Note, or upon any of the other Related Documents Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs or other charges that could accrue as a result of foreclosure or sale of the Collateral In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings

Compliance with Governmental Requirements. Grantor shall comply promptly with all laws, ordinances and regulations of the FAA and all other governmental authorities applicable to the use, operation, maintenance, overhauling or condition of the Collateral Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized

Maintenance of Insurance. Grantor shall procure and maintain at all times all risks insurance on the Collateral, including without limitation, ground, taxiing and in flight coverage, loss, damage, destruction, fire, theft, liability and hull insurance, and such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender Grantor shall further provide and maintain, at its sole cost and expense, comprehensive public liability insurance, naming both Grantor and Lender as parties insured, protecting against claims for bodily injury, death and/or property damage arising out of the use, ownership, possession, operation and condition of the Aircraft, and further containing a broad form contractual liability endorsement covering Grantor's obligations to indemnify Lender as provided under this Agreement Lender's other requirements for insurance as of the date of this Agreement, subject to modification at Lender's reasonable discretion, include the following (1) the Borrower must be the named insured, (2) the policy must provide coverage to the engines while removed from the Airframe, (3) unless otherwise consented to by Lender in writing the liability insurance policy must provide a minimum of $10 million liability coverage, (4) the all risks policy must be for the greater of (a) the amount of the Indebtedness or (b) the full insureable value of the Aircraft, and the basis must be the replacement value of the Aircraft, (5) the policy must contain a Breach of Warranty Endorsement up to 90% of the policy, (6) coverage must be maintained, in full force and effect, for the duration of the Note, (7) PNC Equipment Finance, LLC (or its assignee) must be named as lienholder and Loss Payee, (8) the policy must not prohibit the loss payee from making insurance payments upon Grantor's failure to make payments or upon Borrower's default, (9) the policy must include territorial limits, (10) the policy must include coverage for possible seizure and/or impoundment, and/or war risk perils, (11) if the aircraft is to be operated by a charter operator or is party to a lease agreement with a charter operator, and Lender has consented to such use, the policy must include coverage for charter operation and for spare parts (engines), and (12) the policy must provide for notification of the loss payees upon termination of coverage Such policies of insurance must also contain a provision, in form and substance acceptable to Lender, prohibiting cancellation or the alteration of such insurance without at least thirty (30) days prior written notice to Lender of such intended cancellation or alteration Such insurance policies also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person Grantor agrees to provide Lender with originals or certified copies of such policies of insurance Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender In connection with all policies covering assets in which Lender holds or is offered a security interest for the Indebtedness Grantor will provide Lender with such lender's loss payable or other endorsements as Lender may require Grantor shall not use or permit the Collateral to be used in any manner or for any purpose excepted from or contrary to the requirements of any insurance policy or policies required to be carried and maintained under this Agreement or for any purpose excepted or exempted from or contrary to the insurance policies, nor shall Grantor do any other act or permit anything to be done which could reasonably be expected to invalidate or limit any such insurance policy or policies

Failure To Provide Insurance Grantor acknowledges and agrees that if Grantor fails to provide any required insurance or fails to continue such insurance in force, Lender may do so at Grantor's expense The cost of any such insurance, at the option of Lender, shall be added to the Indebtedness Grantor acknowledges that if lender so purchases any such insurance, the insurance will provide limited protection against physical damage to the Collateral, up to an amount equal to the unpaid balance of the debt Grantor's equity in the Collateral may not be insured In addition, the insurance may not provide any public liability or property damage indemnification and may not meet the *requirements of any financial responsibility laws*

Application of Insurance Proceeds. Grantor shall promptly (not to exceed seven (7) days) notify Lender of any loss or damage to the Collateral in excess of $5,000, whether or not such casualty or loss is covered by insurance Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty Lender shall have the right to receive directly the proceeds of any insurance payable to Grantor on the Collateral, and the insurance proceeds shall be paid directly to Lender If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the Indebtedness, and shall pay the balance to Grantor Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the Indebtedness

Insurance Reports. Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including, but not limited to, the following (1) the name of the insurer, (2) the risks insured, (3) the amount of the policy, (4) the property insured, (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value, and (6) the expiration date of the policy In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral

Notice of Encumbrances and Events of Default Grantor shall immediately notify Lender in writing upon the filing of any attachment, lien, judicial process, or claim relating to the Collateral Grantor additionally agrees to immediately notify Lender in writing upon the occurrence of any Event of Default, or event that with the passage of time, failure to cure, or giving of notice, may result in an Event of Default under any of Grantor's obligations that may be secured by any presently existing or future Encumbrance, or that may result in an Encumbrance affecting the Collateral, or should the Collateral be seized or attached or levied upon, or threatened by seizure or attachment or levy, by any person other than Lender

Notices of Claims and Litigation. Grantor will promptly inform Lender in writing of (1) all material adverse changes in Grantor's financial condition, (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting or concerning in any manner the Collateral, and (3) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting or concerning in any manner the Grantor or any Guarantor which could materially affect the financial condition of Grantor or the financial condition of any Guarantor

Inspection Grantor shall permit employees or agents of Lender at any reasonable time to inspect any and all Collateral (including the logs, books, manuals and records comprising or related to the Collateral) for the Indebtedness and to examine or audit Grantor's books financial statements, accounts, and records and to make copies and memoranda of Grantor's books, financial statements, accounts, and records If Grantor now or at any time hereafter maintains any records including but not limited to records related to the Collateral (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Grantor by execution of this Agreement authorizes such party to permit Lender free access (either in paper form or on-line via the internet) to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Grantor's expense

Compliance Certificates Unless waived in writing by Lender, Grantor shall provide Lender within thirty (30) days after the end of the nine month period following the Funding Date (the "Compliance Due Day") and within thirty (30) days annually of the Compliance Due Day thereafter, with a certificate executed by Grantor's chief financial officer and pilot, or other officer or person acceptable to Lender, certifying that or providing (a) the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate (b) as of the date of the certificate, no Event of Default exists under this Agreement, (c) the Grantor has maintained and kept the Collateral in good order and repair and in airworthy condition in accordance with the requirements of each of the manufacturers' manuals and mandatory service bulletins and each of the manufacturers' non-mandatory service bulletins which relate to airworthiness, (d) the Grantor has performed, on all parts of the Collateral, all applicable mandatory airworthiness directives, and regulation of the Federal Aviation Administration, (e) the total number of hours and landings on the Airframe, (f) the total number of hours on the Engines since their last major overhaul or core, (g) verification that the Engines are enrolled in an Engine Maintenance Program if they were enrolled in an Engine Maintenance Program at the time of loan application, (h) the Engine serial numbers, (i) contact information (name and phone number) for the maintenance facility that performed the last annual inspection or phase inspection, and (j) the insurance report identified above

Additional Assurances. Grantor will make, execute and deliver to Lender such promissory notes, mortgages, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Note and/or the Indebtedness

Continuation. The foregoing representations and warranties, and all other representations and warranties contained in the Note, the Related Documents, and this Agreement are and shall be continuing in nature and shall remain in full force and effect until such time as the Note and all other obligations of Grantor to the Lender are paid in full and until this Agreement is terminated or cancelled as provided herein

PROHIBITIONS REGARDING COLLATERAL. Grantor represents, warrants and covenants to Lender while this Agreement remains in effect as follows

Transactions Involving Collateral. Without the prior written consent by Lender, (i) Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral, and (ii) Grantor shall not lease, pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement This includes security interests even if junior in right to the security interests granted under this Agreement Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender, and shall not be commingled with any other funds. provided however, this requirement shall not constitute consent by Lender to any sale or other disposition Upon receipt, Grantor shall immediately deliver any such proceeds to Lender

No Commercial Use. Grantor shall use the Collateral solely for business purposes Grantor shall not, without the prior written consent of Lender, which consent will not be unreasonably withheld, (i) use the Collateral, or permit the Collateral to be used, in Commercial Operations, or (ii) use the Collateral under a Part 135 Certificate

Removal of the Collateral. Except for routine use, Grantor shall not change the Home Airport or remove the Collateral from the Home Airport without Lender's prior written consent Grantor shall, whenever requested, advise Lender of the exact location of the Collateral Grantor shall not base, or permit the Collateral to be based, outside the continental United States of America

Travel Restrictions. Grantor shall not operate or locate the Collateral, or permit the Collateral to be operated, located, or flown (i) outside the continental United States without war risk coverage, (ii) in or over any country for which the U S State Department has issued travel restrictions, (iii) in or over any country or jurisdiction that does not maintain full diplomatic relations with the United States, (iv) in or over any area of hostilities, or (v) in or over any geographic area not covered by the insurance then in effect Without limiting the foregoing, Grantor agrees that at no time during the effectiveness of this Agreement shall the Collateral be operated in, flown over, or temporarily located in any jurisdiction, unless the Geneva Convention, together with its necessary enacting rules and regulations (or some comparable treaty and regulations satisfactory to Lender) shall be in effect in such jurisdiction and any notices, financing statements, documents or instruments necessary or required, in the opinion of Lender, to be filed in such jurisdiction shall have been filed and file stamped copies thereof shall have been furnished to Lender Notwithstanding the foregoing, at no time shall the Collateral be operated in or over any area which may expose Lender to any penalty, fine, sanction or other liability, whether civil or criminal, under any applicable law, rule, treaty or convention, nor may the Collateral be used in any manner which is or may be declared to be illegal and which may thereby render the Collateral liable to confiscation, seizure, detention or destruction

No Removal of Parts. Except as permitted or required in the section of this Agreement titled "Maintenance, Use, Repairs, Inspections, and Licenses," Grantor shall not remove or permit the removal of any parts, engines, accessories, avionics or equipment from the Aircraft without replacing the same with comparable parts engines, accessories, avionics and equipment acceptable to Lender and the Aircraft's manufacturer and insurer

Modifications. Grantor shall not, without the prior written consent of Lender, modify the Aircraft in any material way, including but not limited to, the Aircraft's function or operating capability

Future Encumbrances. Grantor shall not, without the prior written consent of Lender, grant any Encumbrance that may affect the Collateral, or any part or parts thereof, nor shall Grantor permit or consent to any Encumbrance attaching to or being filed against the Collateral, or any part or parts thereof, in favor of anyone other than Lender Grantor shall further promptly pay when due all statements and charges of airport authorities, mechanics, laborers, materialmen, suppliers and others incurred in connection with the use, operation, storage, maintenance and repair of the Aircraft so that no Encumbrance may attach to or be filed against the Aircraft or other Collateral Grantor shall not file or register (or consent to the filing or registration of) any International Interest, Contract of Sale, or subordination, whether prospective or otherwise (or any amendment, assignment, modification, supplement, subordination or subrogation thereof) pertaining to the Aircraft, with the FAA or the International Registry without the prior written consent of Lender, which may be withheld in its sole discretion Grantor shall not execute or deliver an IDERA in favor of any party other than the Lender without the prior written consent of Lender, which may be withheld in its sole discretion. Grantor additionally agrees to obtain, upon request by Lender, and in form and substance as may then be satisfactory to Lender, appropriate releases, terminations, discharges, waivers and/or subordinations of any Encumbrances that may affect the Collateral at any time and, at Lender's option cause same to be filed or registered with the FAA or International Registry as applicable

GRANTOR'S RIGHT TO POSSESSION. Until an Event of Default, Grantor shall have the possession and beneficial use of the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender, on Grantor's behalf, may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, International Interests, Contracts of Sale, encumbrances and other claims (including the filing of any interest with the FAA or the registration of any interest with the International Registry), at any time levied or placed on the Collateral and paying all costs for inspecting repairing, operating, insuring maintaining and preserving the Collateral All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand, (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the terms of any applicable insurance policy, or (2) the remaining term of the Note, or (C) be treated as a balloon payment which will be due and payable at the Note's maturity The Agreement also will secure payment of these amounts Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon an Event of Default

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement

Note Default. Any Event of Default under the Note or the Indebtedness

Other Defaults. Grantor fails to comply with or to perform any other term, obligation covenant or condition contained in this Agreement, the Note, the Indebtedness, or the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor

Defective Collateralization. This Agreement, the Note, or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected first priority security interest or lien) at any time and for any reason

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under the Note, this Aircraft Security Agreement, or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter

Death or Insolvency The dissolution or termination of Grantor's existence (regardless of whether election to continue is made), the death of Grantor (if Grantor is an individual), the death of any member Grantor or any member withdraws from Grantor (if Grantor is a Limited Liability Company), or any other termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the loan This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its reasonable discretion, as being an adequate reserve or bond for the dispute

Events Affecting Guarantor. If a Guarantor(s) exists Any of the preceding events occurs with respect to any Guarantor, endorser, surety, or accommodation party of any of the indebtedness or any Guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under any Guaranty of the indebtedness In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the Guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default

Change in Ownership. If the Grantor is an entity (including without limitation, a partnership, a limited partnership, a limited liability company, or a corporation), any change in ownership of twenty-five percent (25%) or more of Grantor, whether voluntary or involuntary or resulting from the death of an owner of the Grantor

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender reasonably believes the prospect of payment or performance of this Note is impaired

Cure Provisions. If any Event of Default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor, after receiving written notice from Lender demanding cure of such default (1) cures the default within fifteen (15) days, or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's reasonable discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical

RIGHTS AND REMEDIES ON DEFAULT If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Idaho Uniform Commercial Code and a creditor under the Convention, and Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise In addition and without limitation, Lender may exercise any one or more of the following rights and remedies

Accelerate Indebtedness. Lender may declare the entire Indebtedness, including any prepayment premium which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor

Assemble Collateral. Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession

Sale of the Collateral Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor Lender may sell the Collateral at public auction or private sale Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor and other persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or any other disposition of the Collateral is to be made However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale The requirements of reasonable notice shall be met if such notice is given at least ten (10) business days before the time of the sale or disposition All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, inspecting, repairing, operating holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness The receiver may serve without bond if permitted by law Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Indebtedness by a substantial amount Employment by Lender shall not disqualify a person from serving as a receiver

Obtain Deficiency. If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement

Election of Remedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies

Convention Remedies In addition to the remedies previously set forth in this Agreement, Lender has all remedies available to a creditor under the Convention (and Grantor affirmatively agrees that Lender has all the rights and remedies, and can exercise all of the rights and remedies, granted a creditor under the Convention), including but not limited to (a) if Grantor is in possession, custody or control of the Collateral, Lender may enter Grantor's or any other person's premises and take possession of such Collateral, (b) to require Grantor to assemble and make available such Collateral at a location selected by Lender, (c) to sell, lease or otherwise dispose or cause the Grantor to sell, lease or otherwise dispose of the Collateral, (d) collect or receive any income, rents or profits arising from the management or use of the Collateral, and (e) procure the deregistration of the registration of the Aircraft and export of the Aircraft to a jurisdiction of Lender's choice pursuant to the IDERA

INDEMNIFICATION OF LENDER. Grantor agrees to indemnify, to defend and to save and hold Lender harmless from any and all claims, suits, obligations, damages, losses, costs and expenses (including, without limitation, Lender's reasonable attorneys' fees), demands, liabilities, penalties, fines and forfeitures of any nature whatsoever that may be asserted against or incurred by Lender, its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by this Agreement and the exercise of the rights and remedies granted Lender under this Agreement The foregoing indemnity provisions shall survive the cancellation of this Agreement as to all matters arising or accruing prior to such cancellation and the foregoing indemnity shall survive in the event that Lender elects to exercise any of the remedies as provided under this Agreement following an Event of Default hereunder

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement

Assignment Lender may transfer or assign all or any part of its interest in this Agreement, together with any Related Documents, and Grantor hereby consents to any and all assignments or sales of, or the granting of participations in, this Agreement and any Related Documents, by Lender and any purchaser or assignee of any interest in this Agreement and any Related Documents Grantor shall not sell, assign, transfer, encumber or convey any of its interests in the Collateral or in this Agreement or any Related Documents, without the prior written consent of Lender, which may be withheld in its sole discretion

Amendments This Agreement together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement

Governing Law and Jurisdiction The Note, this Aircraft Security Agreement, and the Related Documents have been delivered to Lender and accepted by Lender in the State of Idaho The Note, this Aircraft Security Agreement, and the Related Documents will be governed by, construed and enforced in accordance with federal laws and the laws of the State of Idaho If there is a lawsuit, Grantor consents to the jurisdiction of all state and federal courts located within Idaho and Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Ada County, State of Idaho

Notices. Any notice required to be given under the Note, the Related Documents, or this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors

Severability. If a court of competent jurisdiction finds any provision of the Note, the Related Documents, or this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable If the offending provision cannot be so modified, it shall be considered deleted from the Note, the Related Documents, or this Agreement Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of the Note, the Related Documents, or this Agreement shall not affect the legality, validity or enforceability of any other provision of the Note, the Related Documents, or this Agreement

Successors and Assigns. Subject to any limitations stated in the Note, the Related Documents, or this Agreement, on transfer of Grantor's interest, the Note, the Related Documents, and this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations and liabilities of the Note, the Related Documents or this Agreement

Survival of Representations and Warranties All representations, warranties, and agreements made by Grantor in this Agreement, the Note, and the Related Documents shall survive the execution and delivery of this Agreement, the Note, and the Related Documents, and shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full

No Waiver by Lender. Lender shall not be deemed to have waived any rights under the Note, the Related Documents, or this Agreement unless such waiver is given in writing and signed by Lender No delay or omission on the part of Lender in exercising any rights under the Note, the Related Documents, or this Agreement shall operate as a waiver of such right or any other right A waiver by Lender of a provision of the Note the Related Documents, or this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of the Note, the Related Documents, or this Agreement No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions Whenever the consent of Lender is required under the Note, the Related Documents or this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement, the Note, and any Related Documents Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the United States Code and Regulations thereunder dealing with or involving Aircraft, commercial instruments relating to such Aircraft, and in the Idaho Uniform Commercial Code

Agreement The word "Agreement" means this Aircraft Security Agreement, as this Aircraft Security Agreement may be amended or modified from time to time together with all exhibits and schedules attached to this Aircraft Security Agreement from time to time

Borrower The word "Borrower" means RMN Group, LLC

Collateral The word "Collateral" means (1) all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral section of this Agreement, and (2) all other property and assets granted as security for the Note, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, assignment, pledge, chattel mortgage, trust receipt, lien, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise

Commercial Operations. The words "Commercial Operations" mean the carriage by aircraft in air commerce of persons or property for compensation or hire Commercial Operations do not include carriage by aircraft in air commerce of Grantor's employees or invitees or Grantor's own property

Consolidated Text The words "Consolidated Text" means the combination of the Convention and Protocol that was authorized pursuant to Resolution No 1 adopted by the Cape Town Diplomatic Conference

Convention The word "Convention" means the Convention on International Interests in Mobile Equipment, and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, both signed in Cape Town, South Africa on November 16 2001, as ratified by the United States, together with the Regulations for the International Registry and the International Registry Procedures, and all other rules, modifications, amendments, supplements, and revisions thereto

Encumbrance. The word "Encumbrance" means any and all presently existing or future mortgages, liens, privileges, International Interest and other contractual and statutory security interests and rights, of every nature and kind, whether in admiralty, at law, or in equity, that now and/or in the future may affect the Collateral or any part or parts thereof

Event of Default. The words "Event of Default," "Default" or "default" mean any of the events of default set forth in this Agreement and the Note in the sections entitled Default

FAA. The word "FAA" means the United States Federal Aviation Administration, or any successor or replacement administration or governmental agency having the same or similar authority and responsibilities

Funding Date. The words "Funding Date" mean the date the loan is funded

Geneva Convention. The words "Geneva Convention" mean the Convention on the International Recognition of Rights in Aircraft made at Geneva, Switzerland on June 19, 1948, (effective September 17, 1953), together with the necessary enacting rules and regulations promulgated by any particular signatory country

Grantor. The word "Grantor" means RMN Group, LLC

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness

Guaranty. The word "Guaranty" means the guaranty from Guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note

Idaho Uniform Commercial Code. The words "Idaho Uniform Commercial Code" mean Title 28 of the Idaho Code

Indebtedness The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents

International Registry The words "International Registry" shall mean the international registry created pursuant to the Convention

Lender. The word "Lender" means PNC Equipment Finance, LLC, or any other direct or indirect subsidiary of The PNC Financial Services Group, Inc

Note. The word "Note" means the promissory note executed by Grantor dated July 2, 2007 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties security agreements, collateral mortgages, cooperation covenants, agreements to provide insurance, resolutions, chattel mortgages, trust receipts, assignment pledges, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness

Transportation Code. The words "Transportation Code" shall mean Subtitle VII, Part A of Title 49 of the United States Code, as amended

The terms "Administrator", "Contract of Sale", "International Interest", "International Registry", "Professional User Entity", "Professional User", "Prospective Contract of Sale", "Prospective International Interest", "Transacting User Entity", shall have the meanings given them in the Convention, unless the context requires otherwise The term "searchable" shall have the meaning contemplated by Article 32 of the Consolidated Text

Counterpart This Agreement may be executed in several counterparts and all such executed counterparts shall constitute one agreement which shall be binding on Borrower and Grantor notwithstanding that both parties are not signatories to the same counterpart or counterparts

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS AIRCRAFT SECURITY AGREEMENT AND GRANTOR AGREES TO ITS TERMS THIS AIRCRAFT SECURITY AGREEMENT IS DATED JULY 2, 2007.

GRANTOR:

RMN GROUP, LLC

By ______________________________

Matthew S. Naylor, President of RMN Group, LLC

EXHIBIT A

FORM OF IRREVOCABLE DE-REGISTRATION
AND EXPORT REQUEST AUTHORIZATION

July 2, 2007

This Irrevocable De-Registration and Export Request Authorization is filed with the Federal Aviation Administration in connection with that certain Aircraft Security Agreement, dated July 2, 2007, by RMN Group, LLC as the Grantor in favor of PNC Equipment Finance, LLC as Lender, covering the Aircraft

To United States Federal Aviation Administration

Re Irrevocable De-Registration and Export Request Authorization

The undersigned is the registered owner of the BEECH (aka BEECH AIRCRAFT CORPORATION on the International Registry) 400A bearing manufacturers serial number RK-13 and registration N13GB (together with all installed, incorporated or attached accessories, parts and equipment, the "Aircraft")

This instrument is an irrevocable de-registration and export request authorization issued by the undersigned in favor of PNC Equipment Finance, LLC ("the authorized party") under the authority of Article XIII of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment In accordance with that Article, the undersigned hereby requests

(i) recognition that the authorized party or the person it certifies as its designee is the sole person entitled to

(a) procure the de-registration of the aircraft from the United States Civil Aviation Registry as maintained by the Federal Aviation Administration (the "FAA") for the purposes of Chapter III of the Convention on International Civil Aviation, signed at Chicago, on 7 December 1944, and

(b) procure the export and physical transfer of the aircraft from the United States , and

(ii) confirmation that the authorized party or the person it certifies as its designee may take the action specified in clause (i) above on written demand without the consent of the undersigned and that, upon such demand, the authorities in the United States shall co-operate with the authorized party with a view to the speedy completion of such action

The rights in favor of the authorized party established by this instrument may not be revoked by the undersigned without the written consent of the authorized party

Please acknowledge your agreement to this request and its terms by appropriate notation in the space provided below and filing this instrument at the FAA

This Exhibit may be executed in multiple counterparts, which taken together shall constitute one instrument and each of which shall be considered an original for all purposes

RMN GROUP, LLC

By [signature]
Matthew S Naylor, President of RMN Group, LLC

Agreed to and filed this 7-17-07

PNC Equipment Finance, LLC

By ______________________
Luci Johnson, Vice President

FAA notations if applicable

____

PNC AVIATION FINANCE

FORM OF IRREVOCABLE DE-REGISTRATION
AND EXPORT REQUEST AUTHORIZATION

July 2, 2007

This Irrevocable De-Registration and Export Request Authorization is filed with the Federal Aviation Administration in connection with that certain Aircraft Security Agreement, dated July 2, 2007, by RMN Group, LLC as the Grantor in favor of PNC Equipment Finance, LLC as Lender, covering the Aircraft

To United States Federal Aviation Administration

Re Irrevocable De-Registration and Export Request Authorization

The undersigned is the registered owner of the BEECH (aka BEECH AIRCRAFT CORPORATION on the International Registry) 400A bearing manufacturers serial number RK-13 and registration N13GB (together with all installed, incorporated or attached accessories, parts and equipment, the "Aircraft")

This instrument is an irrevocable de-registration and export request authorization issued by the undersigned in favor of PNC Equipment Finance, LLC ("the authorized party") under the authority of Article XIII of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment In accordance with that Article, the undersigned hereby requests

(i) recognition that the authorized party or the person it certifies as its designee is the sole person entitled to

(a) procure the de-registration of the aircraft from the United States Civil Aviation Registry as maintained by the Federal Aviation Administration (the "FAA") for the purposes of Chapter III of the Convention on International Civil Aviation, signed at Chicago, on 7 December 1944, and

(b) procure the export and physical transfer of the aircraft from the United States, and

(ii) confirmation that the authorized party or the person it certifies as its designee may take the action specified in clause (i) above on written demand without the consent of the undersigned and that, upon such demand, the authorities in the United States shall co-operate with the authorized party with a view to the speedy completion of such action

The rights in favor of the authorized party established by this instrument may not be revoked by the undersigned without the written consent of the authorized party

Please acknowledge your agreement to this request and its terms by appropriate notation in the space provided below and filing this instrument at the FAA

This Exhibit may be executed in multiple counterparts, which taken together shall constitute one instrument and each of which shall be considered an original for all purposes

RMN GROUP, LLC

By ______________________
Matthew S Naylor President of RMN Group, LLC

Agreed to and filed this 7-17-07

PNC Equipment Finance, LLC

By ______________________
Luci Johnson, Vice President

FAA notations if applicable

____

PNC AVIATION FINANCE

FORM OF IRREVOCABLE DE-REGISTRATION
AND EXPORT REQUEST AUTHORIZATION

July 2, 2007

This Irrevocable De-Registration and Export Request Authorization is filed with the Federal Aviation Administration in connection with that certain Aircraft Security Agreement, dated July 2, 2007, by RMN Group, LLC as the Grantor in favor of PNC Equipment Finance, LLC as Lender, covering the Aircraft

To United States Federal Aviation Administration

Re Irrevocable De-Registration and Export Request Authorization

The undersigned is the registered owner of the BEECH (aka BEECH AIRCRAFT CORPORATION on the International Registry) 400A bearing manufacturers serial number RK-13 and registration N13GB (together with all installed, incorporated or attached accessories, parts and equipment, the "Aircraft")

This instrument is an irrevocable de-registration and export request authorization issued by the undersigned in favor of PNC Equipment Finance, LLC ("the authorized party") under the authority of Article XIII of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment In accordance with that Article, the undersigned hereby requests

(i) recognition that the authorized party or the person it certifies as its designee is the sole person entitled to

(a) procure the de-registration of the aircraft from the United States Civil Aviation Registry as maintained by the Federal Aviation Administration (the "FAA") for the purposes of Chapter III of the Convention on International Civil Aviation, signed at Chicago, on 7 December 1944, and

(b) procure the export and physical transfer of the aircraft from the United States , and

(ii) confirmation that the authorized party or the person it certifies as its designee may take the action specified in clause (i) above on written demand without the consent of the undersigned and that, upon such demand, the authorities in the United States shall co-operate with the authorized party with a view to the speedy completion of such action

The rights in favor of the authorized party established by this instrument may not be revoked by the undersigned without the written consent of the authorized party

Please acknowledge your agreement to this request and its terms by appropriate notation in the space provided below and filing this instrument at the FAA

This Exhibit may be executed in multiple counterparts, which taken together shall constitute one instrument and each of which shall be considered an original for all purposes

RMN GROUP, LLC

By ______________________
Matthew S Naylor, President of RMN Group, LLC

Agreed to and filed this 7-17-07

PNC Equipment Finance, LLC

By [signature]
Luci Johnson, Vice President

FAA notations if applicable

____

PNC AVIATION FINANCE

EXHIBIT 2

5PH
07/02/07

PROMISSORY NOTE

Borrower: **RMN Group, LLC**
191 Sheree Boulevard, Suite 201
Exton, PA 19341

Lender: **PNC Equipment Finance, LLC**
4355 Emerald St.
Suite 100
Boise, ID 83706

Principal Amount: $2,025,000.00 **Date of Note: July 2, 2007**

PROMISE TO PAY. RMN Group, LLC ("Borrower") promises to pay to PNC Equipment Finance, LLC ("Lender"), or order, in lawful money of the United States of America, the principal amount of Two Million Twenty Five Thousand & 00/100 Dollars ($2,025,000.00), together with interest on the unpaid principal balance from the Funding Date until paid in full.

PAYMENT, AMORTIZATION, AND INTEREST. Borrower's first payment is due on the first business day of the second month following the month during which the loan is funded, and all subsequent payments are due on the first business day of each month after that. All outstanding principal and all accrued interest not yet paid shall be due on the final monthly payment. Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs and any late charges, then to any unpaid interest, and any remaining amount to principal. Borrower will pay Lender at such place as Lender may designate in writing.

Repayment. Borrower's monthly payment will be calculated by amortizing the principal amount of the Note over 180 months (the "Amortization Period") at the Variable Interest Rate. Borrower's payment may be increased or decreased to amortize the loan over the Amortization Period based upon any applicable changes to the interest rate. All payment calculations will be determined by Lender in its sole discretion.

Interest Rate. The interest rate on this Note will be at a rate of 1.70% over the Index (the "Variable Interest Rate"). The rate will be reset on the first calendar day of each month based on changes in an independent index which is the rate of interest published on the first calendar day of each month in The Wall Street Journal "Money Rates" listing under the caption "London Interbank Offered Rates" for a one month period (or, if no such rate is published therein for any reason, then such rate published therein on the most recent business day prior to the first day of such month) (the "Index"). The Index will be adjusted, if necessary, for any eurodollar reserve requirements as prescribed by the Board of Governors of the Federal Reserve System (or any successor) and determined by Lender to be applicable. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notice to Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. Interest on this Note is computed on an actual/360 simple interest basis; that is, with the exception of odd days in the first payment period, monthly interest is calculated by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days between the day of the last payment and the day prior to the current payment. Borrower understands that Lender may make loans based on other rates as well. The interest rate will not exceed the maximum rate permitted by applicable law.

Interest After Default. Upon an Event of Default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the Variable Interest Rate by an additional 4.00%. The interest rate will not exceed the maximum rate permitted by applicable law.

TERM. The term of this loan is 180 months. At the end of the Term, all amounts owing under the Note and Related Documents will be due and payable.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note, the Aircraft Security Agreement of even date herewith between Borrower and Lender (the "Aircraft Security Agreement"), or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Cure Provisions. If any Event of Default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's reasonable discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon an Event of Default, Lender may (1) declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount, and/or (2) exercise any rights and remedies set forth in the Aircraft Security Agreement and the Related Documents.

ATTORNEYS' FEES; EXPENSES. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and legal expenses, incurred in connection with the enforcement of this Note, the Aircraft Security Agreement, or the Related Documents. Lender may hire or pay someone else to help enforce this Note, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

LOAN ASSUMPTION. This Note and Related Documents are fully assumable by a qualified buyer provided that the buyer is approved by Lender in its sole discretion. The Borrower or the buyer assuming this loan must pay an assumption fee equal to 0.75% of the unpaid principal balance plus any and all third-party expenses incurred in connection with the assumption.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GENERAL PROVISIONS. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may, in its sole discretion, renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. Capitalized terms not defined in this Note shall have the same definition given such terms in the Aircraft Security Agreement, the Related Documents, or other loan documents executed by Borrower.

PREPAYMENT. The Borrower must give written notice at least forty-five (45) days prior to the day the loan is prepaid. Upon prepayment of this Note, Lender is entitled to interest on the outstanding loan balance through the date of early payment. Borrower may pay all but not less than all of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: PNC Equipment Finance, LLC; 4355 Emerald St.; Suite 100; Boise, ID 83706. Lender is entitled to the following refundable premium payable at the time of prepayment, which may be refunded as set forth below (the "Refundable Premium"): (a) if such early payment occurs during the first loan year, one percent of the unpaid principal balance. Lender will refund the Refundable Premium if Lender makes a new loan against Borrower's replacement aircraft within six months of the early payment date provided that the amount of the new loan is equal to or greater than the outstanding balance of the Note. Except as provided in the previous sentence, Lender shall be entitled to retain the Refundable Premium. Notwithstanding anything to the contrary above, Lender will have no obligation to enter into a new loan or refund the Refundable Premium if the new loan is not approved by Lender in its sole discretion.

LOAN PARTICIPATION. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of the Note and Related Documents or of one or more participation interests in the Note and Related Documents to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Note and Related Documents, and Borrower hereby waives any rights to privacy that Borrower may have with respect to such matters.

LATE CHARGE. If a payment is one (1) day or more late, Borrower will be charged $750. Provided, however, Borrower will not be charged a late fee if the payment is late due to an error on the part of Lender's or Borrower's financial institution. Borrower agrees that the amount of such late charge represents a reasonable estimate of the cost to Lender of processing a delinquent payment and that the acceptance of any late charge shall not constitute a waiver of default with respect to the overdue amount or prevent Lender from exercising any other available rights and remedies.

GOVERNING LAW AND JURISDICTION. This Note, the Aircraft Security Agreement, and the Related Documents have been delivered to Lender and accepted by Lender in the State of Idaho. This Note, the Aircraft Security Agreement, and the Related Documents will be governed by, construed and enforced in accordance with federal laws and the laws of the State of Idaho. If there is a lawsuit, Borrower consents to the jurisdiction of all state and federal courts located within Idaho, and Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Ada County, State of Idaho.

SUCCESSOR INTERESTS. The terms of this Note, the Aircraft Security Agreement, and the Related Documents shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and Lender's successors and assigns.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE PAYMENT, AMORTIZATION, AND INTEREST PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

RMN GROUP, LLC

By: ______________________
Matthew S. Naylor, President of RMN Group, LLC

EXHIBIT 3